

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

AT RICHMOND, MARCH 15, 2019

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COMMONWEALTH OF VIRGINIA, *ex rel.*

STATE CORPORATION COMMISSION

CASE NO. INS-2019-00041

Ex Parte: In the matter of presentations
of premium rates in connection with long-term
care insurance issued in Virginia

ORDER DIRECTING PRESENTATIONS AND REQUESTING PUBLIC COMMENT

In accordance with Virginia Code § 38.2-5206 and Chapter 200 of Title 14 of the Virginia Administrative Code, entitled Rules Governing Long-Term Care Insurance, 14 VAC 5-200-10 *et seq.*, the State Corporation Commission ("Commission") reviews and approves premium rates and premium rate increase requests pertaining to long-term care insurance issued in Virginia. Pursuant to 14 VAC 5-200-195, the Commission may, at its sole discretion and as a condition of approval of such premium rates, conduct a public hearing or order a long-term care insurance carrier to present information concerning its premium rate increase submission if it determines that a hearing or presentation is in the public interest.

Given the substantial and ongoing nature of premium rate increases associated with long-term care insurance, the Commission reviews closely, prior to approval, any premium rate increase requests filed by long-term care insurance carriers operating in Virginia.

Accordingly, the Commission's Bureau of Insurance ("Bureau") is directed to coordinate for the Commission presentations on specific rate increase requests being made by long-term care insurance carriers operating in Virginia. Each presentation shall include: (i) an overview of past premium rate increases; (ii) an explanation of the reasons for any pending premium rate increase requests; (iii) options that are available to policyholders to reduce coverage or lower

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premiums; (iv) any actions that have been taken to either eliminate or reduce premium rate increases; and (v) the outlook for future premium rate increases. The Bureau shall contact the carriers expected to present and detail for each such carrier the format and minimum scenarios that should be developed for presentation as well as the specific filings that should be addressed. Prior to the carriers' presentations, the Commission shall receive public comment relevant to the issue of long-term care rates. In addition, at the presentations the Bureau shall provide an overview of all long-term care insurance premium rate increase requests, including those filed by any carriers who do not attend the presentations.

Accordingly, IT IS ORDERED THAT:

- (1) Starting at 10 a.m. on May 21, 2019, the Commission will receive public comment and premium rate presentations in the Commission's Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia 23219.
- (2) The Bureau shall coordinate for the Commission rate presentations regarding specific rate increase requests being made by long-term care insurance carriers operating in Virginia. The Bureau shall contact a representative sample of carriers based on the percentage of the Virginia long-term care insurance market that each carrier represents to provide specific scenarios depicting how the carrier's rate increase request will impact policyholders and orally present and explain their scenarios to the Commission on May 21, 2019. The Bureau will consider the pending filings that affect the greatest number of Virginia policyholders when identifying the carriers that will be expected to present.
- (3) On or before April 5, 2019, the Bureau shall contact those long-term care insurance carriers expected to make oral presentations before the Commission on May 21, 2019 and shall detail for each such carrier the format and minimum scenarios that should be developed to

illustrate the customer impact of the requested rate increases. The Bureau shall provide ongoing direction as necessary concerning the format and content of oral presentations.

(4) On May 21, 2019, the Bureau shall provide an overview of all long-term care insurance premium rate increase requests, including those filed by any carriers who will not be making oral presentations. Additionally, the carriers designated as described in Ordering Paragraph (3) shall attend and make their oral presentations to the Commission.

(5) The Bureau forthwith shall send a copy of this Order to: (i) all persons who have filed written complaints or inquiries with the Bureau regarding long-term care premium rate increases within the last two years; and (ii) all insurance carriers who reported Long-Term Care Insurance Earned Premium in the 2018 Long-Term Care Reporting Form, as well as all other interested persons. In addition, the Division of Information Resources shall have the following public notice published as display advertising (not classified) on one (1) occasion within two (2) weeks from the date of entry of this Order in a newspaper of general circulation published in each of the following cities: Richmond, Norfolk, Newport News, Roanoke, Winchester, Lynchburg, Danville, Bristol, Fredericksburg, and Alexandria:

NOTICE TO THE PUBLIC OF THE OPPORTUNITY TO COMMENT ON
LONG-TERM CARE INSURANCE PREMIUM RATE INCREASES
FILED WITH THE BUREAU OF INSURANCE OF THE
STATE CORPORATION COMMISSION
CASE NO. INS-2019-00041

Notice is hereby given to the public that the State Corporation Commission ("Commission") is seeking comment on premium rate increases implemented and requested by insurers writing long-term care insurance in Virginia.

All persons who desire to comment on long-term care insurance premium rate increases may file such comments on or before April 22, 2019, with Joel H. Peck, Clerk, State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Persons desiring to submit comments electronically may do so by following the instructions available on

the Commission's website: <http://www.scc.virginia.gov/case>. All comments shall refer to Case No. INS-2019-00041.

The Commission also shall receive oral comment from any persons desiring to comment on long-term care insurance premium rate increases during premium rate presentations that will be held in the Commission's Courtroom, Second Floor, Tyler Building, 1300 East Main Street, Richmond, Virginia 23219, starting at 10 a.m. on May 21, 2019. Persons desiring to provide oral comments at the presentations need only appear in the Commission's Courtroom at 9:45 a.m. on May 21, 2019, and complete a notice of appearance form that shall be provided by the Commission. In order to accommodate as many public commenters as possible, the Commission asks that comments be limited to five minutes by each public commenter.

(6) All persons who desire to provide comments relevant to long-term care insurance premium rates shall file written comments on or before April 22, 2019, with Joel H. Peck, Clerk, State Corporation Commission, Document Control Center, P.O. Box 2118, Richmond, Virginia 23218, and shall refer to Case No. INS-2019-00041. Any person desiring to submit comments electronically may do so by following the instructions available at the Commission's website: <http://www.scc.virginia.gov/case>.

(7) All persons who desire to provide oral comments relevant to long-term care insurance premium rates need only appear in the Commission's Courtroom at 9:45 a.m. on May 21, 2019, and complete a notice of appearance form that shall be provided by the Commission. In order to accommodate as many public commenters as possible, the Commission asks that comments be limited to five minutes by each public commenter.

(8) The Bureau shall file with the Clerk of the Commission an affidavit of compliance with the notice requirements of Ordering Paragraph (5) above.

(9) This matter is continued.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of the

Attorney General, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219-3424; and a copy hereof shall be delivered to the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Julie S. Blauvelt.

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